

P-407, 421/CP-91-627 ORDER DENYING PETITION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm
Tom Burton
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Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Finlayson Exchange
Petition for Extended Area Service to Hinckley

ISSUE DATE: April 6, 1994

DOCKET NO. P-407, 421/CP-91-627

ORDER DENYING PETITION

PROCEDURAL HISTORY

On August 20, 1991, subscribers in the Finlayson exchange filed a petition for extended area service (EAS) to the Hinckley exchange. GTE Minnesota (GTE) serves Finlayson and US West Communications, Inc. (USWC) serves Hinckley.

On September 30, 1991, the sponsor of another petition (the Hinckley to Sandstone petition, Docket P-421/CP-91-187) filed a letter requesting the Commission to vary its rules in the current proceeding and continue to process the Finlayson to Hinckley petition due to an impending consolidation of school districts.

On November 4, 1991, the Minnesota Department of Public Service (the Department) filed a recommendation to suspend further processing of this matter (the Finlayson to Hinckley petition) until the outcomes of the Hinckley to Sandstone and Finlayson to Sandstone petitions are known.

On November 25, 1991, the Commission issued a Capsule Order adopting the Department's recommendation and suspending the Finlayson to Hinckley petition.

Between November 25, 1991 and May 5, 1993, the Commission processed the Hinckley to Sandstone and Finlayson to Sandstone EAS petitions.

On May 5, 1993, the Commission certified the results of its subscriber poll in the Hinckley to Sandstone petition. As a result of this Order, GTE and USWC installed EAS between these two exchanges on December 1, 1993.

On December 6, 1993, the Department recommended that the Commission require GTE to file traffic studies for the Finlayson to Hinckley route because Finlayson and Hinckley could now be considered adjacent for purposes of EAS.

On December 7, 1993, the Commission certified the results of its subscriber poll in the Finlayson to Sandstone petition. The Order required GTE and USWC to install EAS between Finlayson and Sandstone.

On January 31, 1994, the Commission issued an Order finding Finlayson and Hinckley adjacent, as is required by the EAS law. The Order also required GTE to submit traffic studies and to comment on the appropriate stimulation factor.

On March 8, 1994, GTE filed the required studies and comments.

On March 16, 1994, the Department submitted comments.

No other parties filed comments.

On March 29, 1994, the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

Finlayson Does Not Meet the Traffic Requirement

The second EAS criterion is that more than 50 percent of the subscribers in the petitioning exchange must make one or more calls per month to the petitioned exchange. Minn. Stat. § 237.161, subd. 1 (a) (3) (1992).

GTE submitted traffic for the 12 months of 1993. For all 12 months, less than 50 percent of the Finlayson subscribers called Hinckley one or more times per month.

The Department correctly observed that the traffic from Hinckley to the petitioned exchange was insufficient to meet the EAS traffic requirement. Accordingly, the Commission will dismiss this petition and close the docket.

Stimulation Factor Issue is Moot

GTE raised an additional issue in this matter, i.e. what stimulation factor would be appropriate for the Finlayson EAS route to Hinckley. GTE argued that the stimulation factor should be the same as for other outstate routes and the Department did not comment on this matter. In light of the Commission's decision to dismiss this matter for lack of traffic, it is unnecessary to examine the stimulation factor issue.

Notice to Subscribers in the Petitioning Exchange

It would be appropriate for GTE to provide a customer billing notice to Finlayson subscribers of the disposition of this matter. The Commission will direct GTE to submit a proposed notice to Commission Staff.

After approval by Commission Staff, GTE should include the billing notice in the next possible

billing cycle for Finlayson subscribers and file confirmation of its acts with the Commission.

Once that confirmation has been received, this docket will be closed.

ORDER

1. The petition for extended area service from Finlayson to Hinckley is denied for lack of traffic.
2. Within 10 days after this Order, GTE Minnesota (GTE) shall file for approval by Commission Staff a notice informing its customers of the Commission's decision to deny the petition. The notice shall communicate the reason for the denial.
3. In the first billing cycle after Commission Staff approves the notice, GTE shall serve a copy of the notice on all subscribers in its Finlayson exchange.
4. Within 10 days after it has completed the notification required by Ordering Paragraph 2, GTE shall inform the Commission in writing of that fact and the docket will be closed.
5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)